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Mexico

Agricultural Situation

Mexico Suspends Anti-Dumping Duty and Establishes Reference Price System for U.S. Red and Golden Delicious Apples from the Pacific Northwest

2005

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Report Highlights:

On December 29, 2004, the Secretariat of Economy (SE) published an announcement suspending the application of the 46.58-percent anti-dumping duty on U.S. Red and Golden Delicious apples from the Pacific Northwest and establishing a reference price system for apple exporters who are members of the Northwest Fruit Exporters (NFE) organization. All other exporters of U.S. Red and Golden Delicious apples are not part of the new reference price agreement and are still subject to the 46.58-percent anti-dumping duty. U.S. apples not of the Red and Golden Delicious varieties are not subject to any duty.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Mexico [MX1]
[MX]

Introduction: This report summarizes an official announcement published in Mexico's "*Diario Oficial*" (Federal Register) on December 29, 2004.

Disclaimer: This summary is based on a cursory review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the regulation in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete regulation or announcement as published in Spanish, the latter shall prevail.

Title: Resolution that accepts the agreement proposed by U.S. apple exporters and suspends the compensatory quota imposed on U.S. apple imports of the Red and Golden Delicious varieties, as classified under H.T.S. 0808.10.01.

FAS/Mexico's Executive Summary: On December 29, 2004, the Secretariat of Economy (SE) published in the *Diario Oficial* (Federal Register) an announcement suspending the application of the 46.58-percent duty on imported U.S. Red and Golden Delicious apples from the Pacific Northwest and establishing a new reference price system for members of the Northwest Fruit Exporters (NFE) organization.

The suspension will go into effect on February 28, 2005 and will be in force for a period of 5 years. If SE detects that sales were conducted below the established reference price, that requested information is not presented in a timely manner, or that there has been non-compliance with any other regulation outlined in this announcement, then the suspension of the anti-dumping duties can be cancelled. The suspension of the 46.58-percent duty will be applied to exports originating from the Northwest Fruit Exporters (NFE) members included in the following table:

COMPANY	CITY	STATE	TF①
Allan BROS.	Naches	WA	002
Andrus & Roberts Produce Co.	Sunnyside	WA	116
The Apple House, Inc.	Brewster	WA	083
Apple King, LLC	Yakima	WA	046
Auvil Fruit Company, Inc.	Orondo	WA	117
Baker Produce, Inc.	Kennewick	WA	003
Bardin Farms Corp.	Monitor	WA	086
Bertha's Marketing Inc.	E. Wenatchee	WA	-----
Blue Bird, Inc.	Peshastin	WA	090
Blue Mountain Growers, Inc.	Milton-Freewater	OR	006
Blue Star Growers, Inc.	Cashmere	WA	040
Bolinger & Sons	Wenatchee	WA	118
Borton & Sons, Inc.	Yakima	WA	007
E.W. Brandt & Sons, Inc.	Parker	WA	105
Brewster Heights Packing	Brewster	WA	008
Broetje Orchards	Prescott	WA	009
E. Brown & Sons, Inc.	Milton-Freewater	OR	089
C&M Fruit Packers	East Wenatchee	WA	169
Cervantes Packing and Storage, LLC	Sunnyside	WA	154

COMPANY	CITY	STATE	TF①
Chelan Fruit Cooperative	Chelan	WA	144
Chief Orchards, L.L.C.	Yakima	WA	146
Clasen Fruit & Cold Storage Co.	Union Gap	WA	013
Columbia Fruit Packers, Inc.	Wenatchee	WA	014
Columbia Marketing International Corp.	Wenatchee	WA	-----
Chiawana, Inc. DbA: Columbia Reach Pack	Yakima	WA	015
Congdon Orchards, Inc.	Yakima	WA	016
Cowiche Growers, Inc.	Cowiche	WA	017
CPC International Apple Company	Tieton	WA	104
Crane & Crane Inc.	Brewster	WA	019
Custom Apple Packers, Inc.	Brewster	WA	021
Custom Apple Packers, Inc.	Quincy	WA	021
Custom Apple Packers, Inc.	Wenatchee	WA	021
Domex Marketing	Yakima	WA	-----
Morgans of Washington DbA: Double Diamond Fruit	Quincy	WA	023
Douglas Fruit Company, Inc.	Pasco	WA	024
Dovex Export Company	Wenatchee	WA	-----
Dovex Fruit Co.	Wenatchee	WA	025
Eakin Fruit Co.	Union Gap	WA	027
Evans Fruit Co., Inc.	Cowiche	WA	001
G & G Orchards, Inc.	Yakima	WA	124
Garrett Ranches Packing	Wilder	ID	150
Gilbert Orchards, Inc.	Yakima	WA	075
Gold Digger Apples, Inc.	Oroville	WA	030
Hansen Fruit & Cold Storage Co., Inc.	Yakima	WA	032
Henggeler Packing Co., Inc.	Fruitland	ID	033
Highland Fruit Growers, Inc.	Yakima	WA	034
C.M. Holtzinger Fruit Co., Inc.	Yakima	WA	010
IM EX Trading Company	Yakima	WA	-----
Inland-Joseph Fruit Company	Wapato	WA	102
Jack Frost Fruit Co.	Yakima	WA	037
John's Farm LLC	Brewster	WA	-----
Kershaw Fruit & Cold Storage, Co.	Yakima	WA	038
L & M Companies	Selah	WA	-----
Larson Fruit Co.	Selah	WA	039
Lloyd Garretson Co.	Yakima	WA	085
Manson Growers Cooperative	Manson	WA	041
Matson Fruit Company	Selah	WA	042
McDougall & Sons, Inc.	Wenatchee	WA	043
Monson Fruit Co.	Selah	WA	129
Northern Fruit Company, Inc.	Wenatchee	WA	045
Obert Cold Storage, Inc.	Zillah	WA	108
Olympic Fruit Co.	Moxee	WA	130

COMPANY	CITY	STATE	TF ^①
Oneonta Trading Corp.	Wenatchee	WA	-----
Orondo Fruit Co., Inc.	Orondo	WA	152
PAC Marketing International, LLC	Yakima	WA	-----
Peshastin Hi-Up Growers	Peshastin	WA	091
Poirier Warehouse	Pateros	WA	051
Price Cold Storage & Packing Co., Inc.	Yakima	WA	053
Pride Packing Company	Wapato	WA	155
Rainier Fruit Company	Selah	WA	-----
Roche Fruit, Ltd.	Yakima	WA	076
Rowe Farms, Inc.	Naches	WA	056
SST Growers and Packers LLC	Granger	WA	111
Sage Marketing LLC	Yakima	WA	-----
Smith & Nelson, Inc.	Tonasket	WA	058
Snokist Growers	Yakima	WA	059
Stadelman Fruit, L.L.C.	Zillah	WA	060
Stadelman Fruit, L.L.C.	Milton-Freewater	OR	060
Stemilt Growers, Inc.	Wenatchee	WA	061
Strand Apples, Inc.	Cowiche	WA	062
Symms Fruit Ranch, Inc.	Caldwell	ID	064
Valley Fruit III LLC	Wapato	WA	068
Washington Fruit & Produce Co.	Yakima	WA	070
Witte Orchards, Inc.	E. Wenatchee	WA	097
Yakima Fruit & Cold Storage Co.	Yakima	WA	073
Zirkle Fruit Company	Selah	WA	074
2004/2005 Inactive Members			
Apple Country, Inc.	Wapato	WA	148
Carlson Orchards, Inc.	Yakima	WA	011
J.C. Watson Co.	Parma	ID	036
Jenks Bros. Cold Storage & Packing	Royal City	WA	143
Keystone Fruit Co. LLC DbA: Keystone Ranch	Riverside	WA	094
Magi, Inc.	Brewster	WA	084
Naumes, Inc.	Chelan	WA	107
Phillipi Fruit Co., Inc.	Wenatchee	WA	050
Rawland F. Taplett dba (R.F. Taplett Fruit & ColdStorage Co.)	Wenatchee	WA	153
Roy Farms	Moxee	WA	-----
Sund-Roy, L.L.C.	Yakima	WA	063
Trout-Blue Chelan, Inc.	Chelan	WA	144
Valicoff Fruit Company	Wapato	WA	140

①Treatment Facility Number

The suspension of the 46.58-percent duty will be applied to shipments that provide a commercial bill ("*factura*") issued by the correspondent NFE member company and should

include the Treatment Facility (TF) number issued by the Secretariat of Agriculture, Livestock, Rural Development, Fishery and Food (SAGARPA). If apples are coming from NFE members, but a non-NFE company carries out the exportation, the 46.58-percent duty will be applied. Apple shipments coming from non-NFE members (i.e., mainly those apple exporters in states other than Idaho, Oregon, or Washington) will be subject to the application of the full duty.

With regard to the reference price agreement, the announcement clearly establishes a two-tiered escalating price structure, depending on shipping season and port of entry. For this purpose, SE establishes two shipping seasons for the import of U.S. Red and Golden Delicious apples FOB at the border, as follows:

REFERENCE PRICES FOR U.S. RED & GOLDEN DELICIOUS APPLES		
BORDER CROSSING	SEPTEMBER 1ST – JANUARY 31ST	FEBRUARY 1ST – AUGUST 31ST
TIJUANA, BAJA CALIFORNIA	\$16.15	\$14.77
SAN LUIS RIO COLORADO, SONORA	\$16.15	\$14.77
MEXICALI, BAJA CALIFORNIA	\$16.15	\$14.77
NOGALES, SONORA	\$16.35	\$14.97
CIUDAD JUÁREZ, CHIHUAHUA	\$16.35	\$14.97
REYNOSA, TAMAULIPAS	\$17.43	\$15.94
MATAMOROS, TAMAULIPAS	\$17.43	\$15.94
NUEVO LAREDO, TAMAULIPAS	\$17.43	\$15.94
MANZANILLO, COLIMA	\$17.43	\$15.94
USD PER 19.05 KG BOX		

FAS Comment: The suspension of the anti-dumping duty and establishment of a reference price agreement is expected to positively impact U.S. apple exports to Mexico. Although the effective implementation date of February 28, 2005, cuts short the principal shipping season for Pacific Northwest apples in MY 2004/05, the reference price agreement is to be in effect for five years, thereby allowing NFE exporters to fully take advantage of future shipping seasons. Of concern, however, is the exclusion from this agreement of other U.S. apple exporters who are not members of NFE. Red and Golden Delicious apples from these exporters are still subject to the 46.58-percent duty and non-NFE members are not part of the new reference price agreement.

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Internet Connections

FAS Mexico Web Site: We are available at <http://www.fas-la.com> or visit headquarter's home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

Useful Mexican Web Sites: Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at www.sagarpa.gob.mx and Mexico's equivalent of the Department of Commerce (SE) can be found at www.economia.gob.mx. These websites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.